

MANDENI LOCAL MUNICIPALITY



DRAFT SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN

2015/2016

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SUBMISSION TO THE MAYOR

The top layer service delivery budget implementation plan, indicating how the budget and the strategic objectives of the Council will be implemented, is herewith submitted in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA), MFMA Circular No. 13 and the Budget and Reporting Regulation for the necessary approval.

PRINT NAME: MR. L. H. MAPHOLOBA

MUNICIPAL MANGER OF MANDENI MUNICIPALITY

Signature: _____

Date: _____

SECTION 53(1) (C) (ii) – APPROVAL BY THE EXECUTIVE MAYOR

The top layer service delivery budget implementation plan is herewith approved in terms of Section 53(1) (c) (ii) of the Municipal Finance Management Act (MFMA), MFMA.

PRINT NAME: COUNCILLOR S. B. ZULU

HOUNORABLE MAYOR OF MANDENI MUNICIPALITY

Signature: _____

Date: _____

1. Mayor's Foreword

As the Mayor of the Mandeni Municipality, I hereby approve this document as the Service Delivery and Budget Implementation Plan (SDBIP) of this municipality and thus constituting the Annual Plan for the Municipality for the financial year 2015/16.

Section 1 of the Municipal Finance Management Act (No.56 of 2003) defines the SDBIP as:

" a detailed plan approved by the mayor of a municipality in terms of section 53 (1)(c)(ii) for implementing the municipality's delivery of services and the execution of its annual budget and which must include (as part of the top layer) the following:

- (a) projections for each month of-*
 - (i) revenue to be collected, by source; and*
 - (ii) operational and capital expenditure, by vote;*
- (b) service delivery targets and performance indicators for each quarter".*

In developing a good performance management tool for the municipality, the IDP is drafted, the budget is drafted and the service delivery and budget implementation plan (SDBIP) is developed in order to put into effect the budget. The SDBIP is a monitoring and implementation tool that is the vital link between the Mayor, Council and Administration as it facilitates the process for holding management accountable for its performance. The SDBIP quantifies the strategic objectives as highlighted in the budget to measurable outcomes. It is then, that as a monitoring tool, the Mayor and Council are able to monitor the performance of Senior Managers and the Community is able to monitor the municipality.

Adherence to this SDBIP will ensure that the objectives set out in the budget are achieved and hence the objectives and goals identified in the IDP will be realised, thus ensuring service delivery and that the municipality meets the needs of the community.

2. INTRODUCTION BY MUNICIPAL MANAGER

The SDBIP is a contract between the Administration, Council and Community where the goals and objectives as set out by the council are quantified and can be implemented by the administration of the municipality. Municipal Managers are encouraged to develop the SDBIP concept further so that it is meaningful and useful to managers.

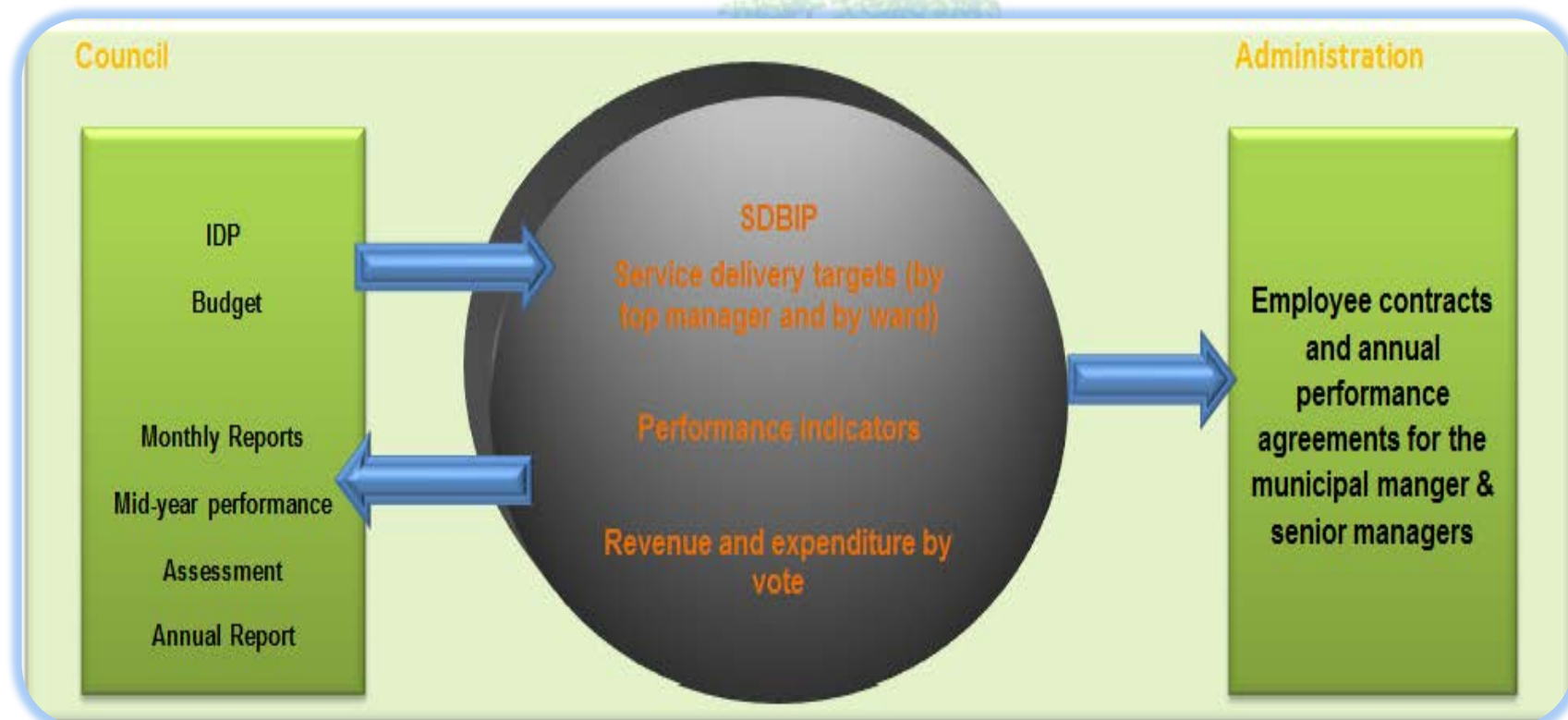
Whilst the budget sets yearly service delivery and budget targets (revenue and expenditure per vote), it is imperative that in-year mechanisms are able to measure performance and progress on a continuous basis. Hence, the end-of-year targets must be based on quarterly and monthly targets, and the Municipal manager must ensure that the budget is built around quarterly and monthly information. Being a start-of-year planning and target tool, the SDBIP gives meaning to both in-year reporting in terms of section 71 (monthly reporting), section 72 (mid-year report) and end-of-year annual reports.

The SDBIP is essentially the management and implementation tool which sets in-year information, such as quarterly service delivery and monthly budget targets, and links each service delivery output to the budget of the municipality, thus providing credible management information and a detailed plan for how the municipality will provide such services and the inputs and financial resources to be used. The SDBIP indicates the responsibilities and outputs for each of the senior managers in the top management team, the inputs to be used, and the time deadlines for each output. The SDBIP will therefore determine the performance agreements of the municipal manager and senior managers, including the outputs and deadlines for which they will be held responsible. The SDBIP should also provide all expenditure information (for capital projects and services) per municipal ward, so that each output can be broken down per ward, where this is possible, to support ward councilors in service delivery information.


The SDBIP aims to ensure that managers are problem-solvers, who routinely look out for unanticipated problems and resolve them as soon as possible and enables the Council to monitor the performance of the municipality against quarterly targets on service delivery.

Being a management and implementation plan (and not a policy proposal), the SDBIP is not required to be approved by the council. It is however tabled before council and made public for information and for the purpose of monitoring. The SDBIP should be seen as a dynamic document that may (at lower layers of the plan) be continually revised by the municipal manager and other top managers, as actual performance after each month or quarter is taken into account.

SDBIP “contract” diagram as depicted in the Circular No. 13 by National Treasury, MFMA



2. 1. VISION, MISSION, VALUES






VISION

"TO BE A RELIABLE PEOPLE CENTERED AND SUSTAINABLE ECONOMIC HUB BY 2030"



MISSION

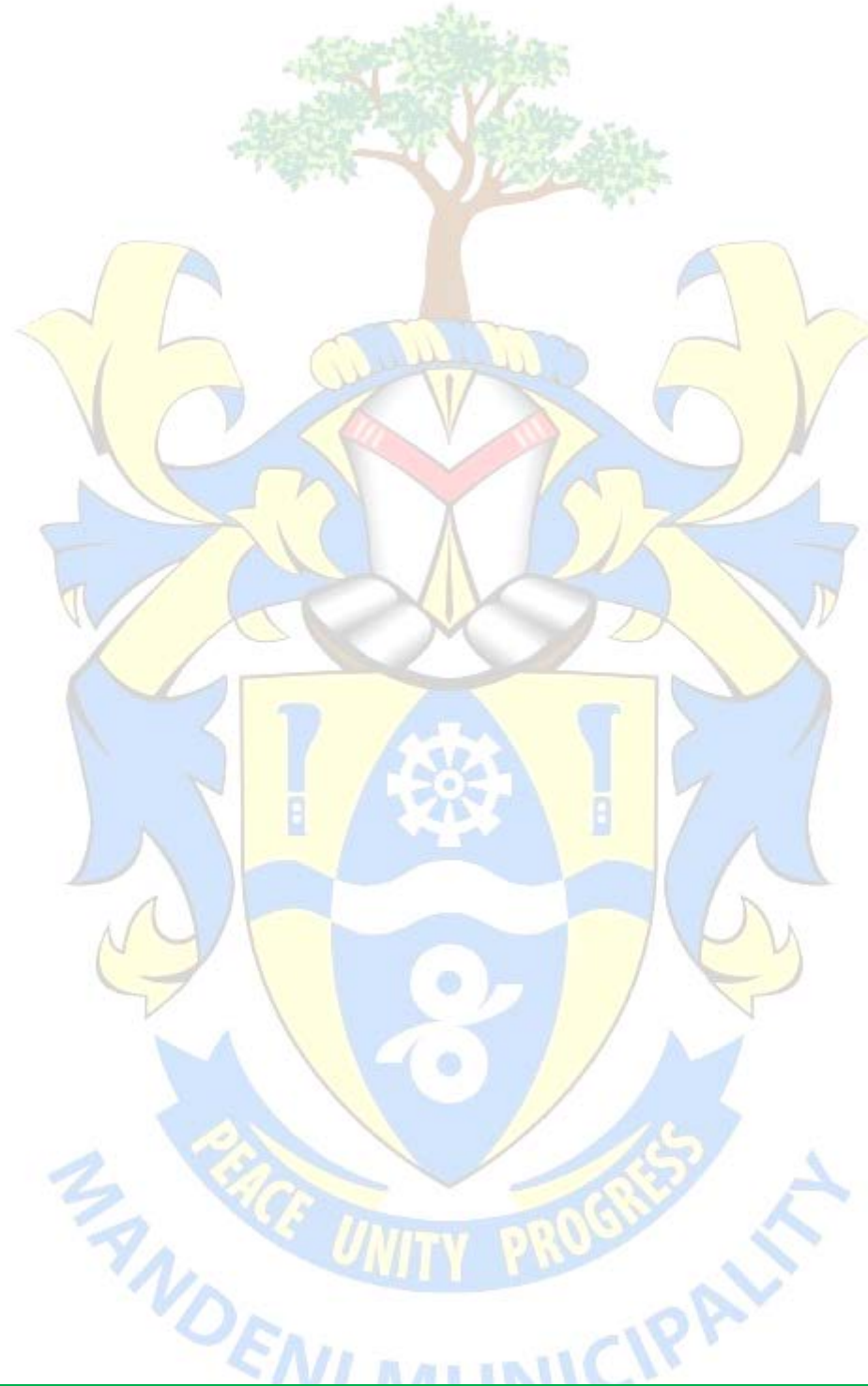
We will achieve our mission by:

-  *Continuously striving for better*
-  *Excelling in all key processes of service delivery*
-  *Continuously listening and responding to our communities and all stake holders*
-  *Remaining financially astute*



VALUES

In keeping with the principles of Batho Pele our conduct will be guided by the following:



2.2. LEGISLATIVE MANDATES

The Mandeni Municipality SDBIP is established in terms of the Municipal Systems Act 32 of 2000 and complies is further mandated by the following pieces of legislation to budget and deliver services to the community of Mandeni.

2.2.1 . LEGISLATIVE PERFORMANCE REPORTING FRAMEWORK		
FREQUENCY AND NATURE OF REPORT	MANDATE	RECIPIENTS
Monthly reporting on actual revenue targets and spending against budget no later than 10 working days after the end of each month	Section 71 of the MFMA	National Treasury
Quarterly progress report	Section 41 (1) (e) of the Systems Act, Section 166 (2) (a) (v) and (vii) of the Municipal Management Finance Act (MFMA) and Regulation 7 of Municipal Planning and Performance Management Regulations.	1. Municipal Manager 2. Mayor 3. EXCO 4. Audit Committee 5. National Treasury
Mid-year performance assessment	Section 72 of the MFMA. Section 13 (2) (a) of Municipal Planning and Performance Management Regulations 2001.	1. Municipal Manager 2. Mayor 3. EXCO 4. Council 5. Audit Committee 6. National Treasury 7. Provincial Government
Annual report (to be tabled before Council by 31 January (draft and approved / published by 31 March each year)	Sections 121 and 127 of the MFMA, as read with Section 46 of the Systems Act and Section 6 of the Systems Amendment Act.	1. Mayor 2. EXCO 3. MPAC 4. Council 5. Audit Committee 6. Auditor-General 7. National Treasury 8. Provincial Government 9. Local Community

2.2.1 MUNICIPAL POWERS AND FUNCTIONS

Mandeni Municipality (KZN 291) is a Category B Municipality as determined by the Demarcation Board in terms of Section 4 of the Municipal Structures Act 1998.

• Building Regulations	• Noise pollution
• Child Care Facilities	• Pounds
• Electricity Reticulation	• Public Places
• Fire Fighting	• Trading Regulations
• Local Tourism	• Billboards and the Display of Advertisements in Public Places
• Municipal Planning	• Cemeteries, Funeral Parlours and Crematoria
• Storm water	• Cleansing
• Licensing and control of undertakings that sell food to the public	• Control of Public Nuisance
• Local sports facilities	• Control of Undertakings that sell liquor to the public
• Markets	• Facilities for the accommodation, care and burial of animals
• Municipal abattoirs	• Fencing and fences
• Municipal parks and recreation	• Licensing of dogs
• Municipal roads	

2.3 TIMING AND METHODOLOGY FOR PREPARATION OF THE SDBIP

“Section 69 (3) (a) of the MFMA requires the accounting officer (Municipal Manager) to submit draft SDBIP and annual performance agreements for the municipal manager and all senior managers, as required in terms of section 57 (1) (b) of the Municipal Systems Act. These should be submitted to the mayor not later than 14 days after the approval of the annual budget. The Mayor in accordance with section 53 (3) (a) & (b) of the MFMA must not later than 14 days after the approval of the SDBIP ensure that the revenue and expenditure projections for each month and service delivery targets and performance indicators for each quarter, as set out in the SDBIP are made public. In the light of this statement must also ensure that the performance agreements of the municipal manager, senior managers and any other categories of officials as may be prescribed, are also made public. Copies of such performance agreements must be submitted to the Council and MEC for local government in the province”.

These are the legal requirements and deadline limits to assist a municipality to comply with the law-however, best practice suggests that this be done earlier by municipalities, starting with senior managers to draw up their second layer departmental SDBIPs in the early stages of the planning and budget preparation process in line with the strategic direction set in the IDP. The mayor and municipal manager should lead this process.

The municipality should ideally publish its draft SDBIP with its draft budget, or soon after as supporting documentation to assist its budget hearings process normally held at the end of March or in April. As noted above, the SDBIP should be submitted to the Executive Mayor by 1 May at the latest. If the draft SDBIP is to be provided for the budget hearings, the municipality may want to bring this date forward, or provide departmental SDBIPs as supporting information to the relevant committee around the end of March. In this case, the Executive Mayor will need to approve such departmental or draft SDBIP by mid-March.

It should be noted that it is up to the municipality to determine extra detail, and whether they wish to bring forward their deadlines for submission and approval. A municipality could also opt to have a high level SDBIP complete with ward break-downs for tabling and publication, but may also in addition make available lower layer departmental SDBIPs and other information as requested by Council.

With careful planning of the budget process it may be possible for the Executive Mayor to approve the SDBIP in less than 7 days after the council approves the budget. Legally, to take account of possible revisions to the budget, the Act allows for this to occur not later than 28 days after budget approval.

The SDBIP is a key management, implementation and monitoring tool, which provides operational content to the end-of-year service delivery targets, set in the budget and IDP. It determines the performance agreements for the municipal manager and all top managers, whose performance can then be monitored through Section 71 and 72 reports, and evaluated through the annual report process.

2.5. SDBIP PROCESS

The SDBIP process comprises the following stages, which forms part of a cycle:

Planning:

During this phase the SDBIP process Plan is developed, to be tabled with the IDP Process Plan. SDBIP related processes e.g. workshop schedules distribution of circulars and training workshops, are also reviewed during this phase.

Strategizing:

During this phase the IDP is reviewed and subsequent SDBIP programmes and projects for the next 5 years based on local, provincial and national issues, previous year's performance and current economic and demographic trends etc.

Tabling:

Consultation with the community and stakeholders of the IDP on the SDBIP is done through budget hearings and formal local, provincial and national inputs or responses are also considered in developing the final document.

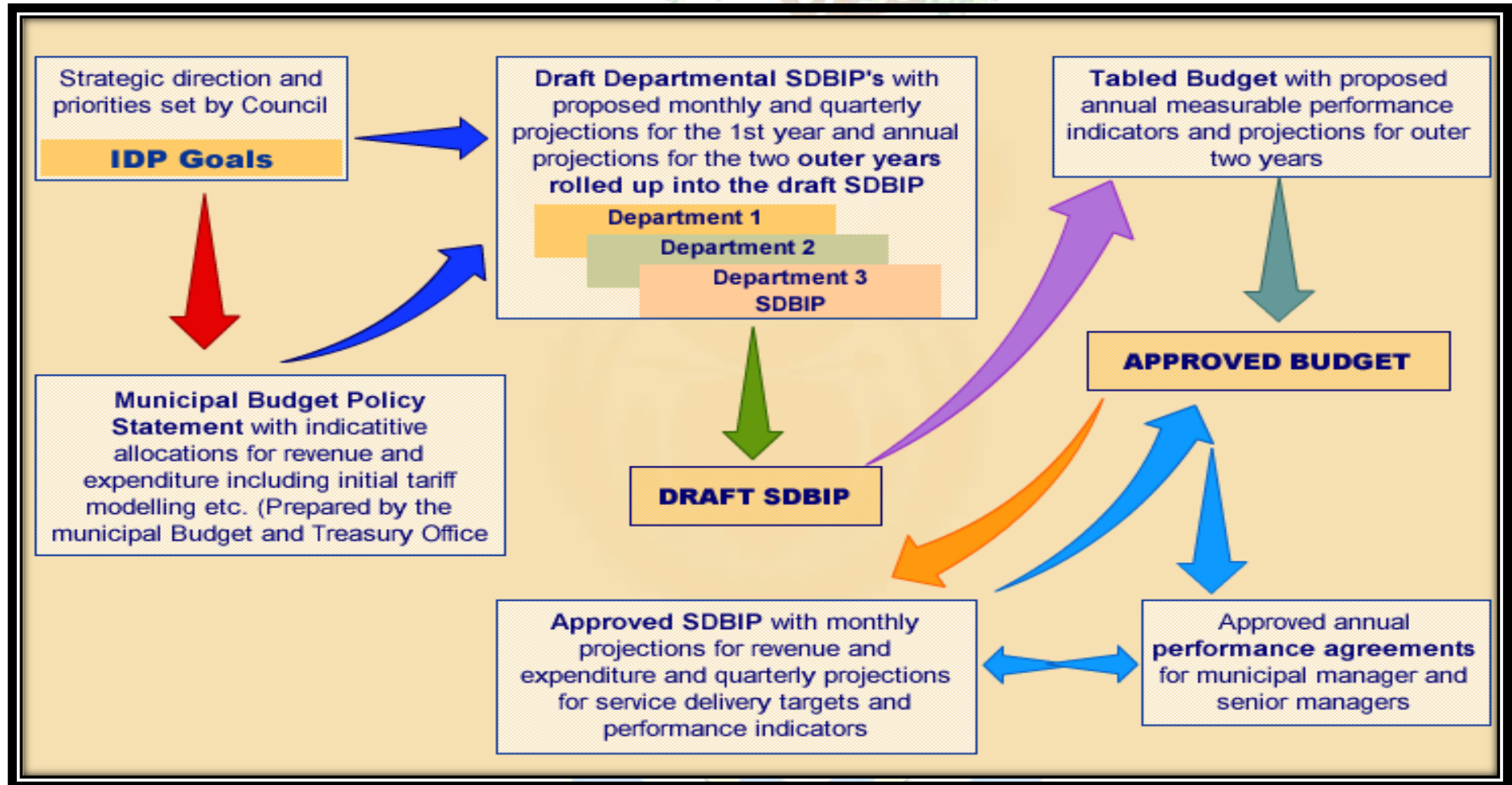
Adoption:

The Executive Mayor approves the SDBIP no later than 28 days after the adoption of the Municipality's budget.

Publishing:

The adopted SDBIP is made public and is published on the Council's website.

The process for preparing and approving the SDBIP, as depicted in the MFMA Circular No.13, is diagrammatically summarised as follows:



2.6 THE SDBIP AS A MONITORING AND REPORTING TOOL

This section covers reporting on the SDBIP as a way of linking the SDBIP with the oversight and monitoring operations of the Municipal Administration. Various reporting requirements are outlined in the MFMA and both the Mayor and the Accounting officer have clear roles to play in preparing and presenting these reports. The SDBIP provides an excellent basis for generating the reports for which the MFMA requires. These reports then allow the Council to monitor the implementation of Service Delivery Programs and Initiatives across the Municipality boundaries.

2.6.1. Monthly Reporting

Section 71 of the MFMA stipulates that reporting on actual revenue targets and spending against the budget should occur on a monthly basis. This reporting must be conducted by the Accounting Officer of a municipality no later than 10 working days, after the end of each month.

Reporting must include the following:

- actual revenue, per source;
- actual borrowings;
- actual expenditure, per vote;
- actual capital expenditure, per vote;
- the amount of any allocations received

If necessary, explanation of the following must be included in the monthly reports:

- Any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote
- Any material variances from the service delivery and budget implementation plan and;
- Any remedial or corrective steps taken or to be taken to ensure that the projected revenue and expenditure remain within the municipalities approved budget.

2.6.2. Quarterly Reporting

Section 52 (d) of the MFMA compels the Executive Mayor to submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality within 30 days of the end of each quarter. The quarterly performance projections captured in the SDBIP form the basis for the mayor's quarterly report.

2.6.3. Mid-year Reporting

Section 72 (1) (a) of the MFMA outlines the requirements for mid-year reporting.

The Accounting Officer is required by the 25th January of each year to assess the performance of the municipality during the first half of the year taking into account:

- The monthly statements referred to in section 71 of the first half of the year;
- The municipalities service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the Service Delivery and Budget Implementation Plan;
- The past year's annual report, and progress on resolving problems identified in the annual report; and,
- The performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities.
- Based on the outcomes of the mid-year budget and performance assessment report, an adjustments budget may be tabled if actual revenue or expenditure amounts are materially different from the projections contained in the budget or the SDBIP.
- The SDBIP is also a living document and may be modified based on the mid-year performance review. Thus the SDBIP remains a kind of contract that holds The Alfred Nzo District Municipality accountable to the community.

2.7. PRINCIPLES UNDERPINNING OUR SDBIP

The Alfred Nzo District Municipality commits to the following key principles in its implementation of the SDBIP. That the process:

- Must be used as a management tool and incorporated into existing ways of managing performance in the municipality.
- Measurement must be based on clearly defined targets and agreed timeframes.
- Must align strategic organisational development goals and budget prioritisation linked to community needs and resource constraints.
- Must provide for measurement of progress against IDP commitments;
- Only focus on budgeted projects
- Must ensure measurement of performance against National KPIs
- Must promote use as an early warning system
- Must focus on outcomes (development impact achievements)
- Must provide clarity to all employees on their role in the achievement of municipal and departmental targets.

3. FINANCIAL COMPONENT

The following table is a consolidated overview of the proposed 2015/16 Medium-term Revenue and Expenditure Framework:

3.1 Table 1 Consolidated Overview of the 2015/16 & MTREF

KZN291 Mandeni - Table A1 Budget Summary							
Description R thousands	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Total Revenue (excluding capital transfers and contributions)	174 758	152 398	171 871	171 871	202 796	213 249	221 610
Total Expenditure	162 193	152 398	174 308	174 308	202 727	205 826	219 100
Surplus/(Deficit)	12 565	0	(2 437)	(2 437)	69	7 423	2 510
Capital expenditure & funds sources							
Capital expenditure	360	90 497	77 918	77 918	82 988	79 367	70 475
Total Budget	175 118	242 895	249 789		285 784	292 616	292 085

Total operating revenue has increased by 17.9 per cent or R30.9 Million for the 2015/16 financial year when compared to the 2014/15 Adjustments Budget. For the two outer years, operational revenue will increase by 5.15 and 3.92 per cent respectively, equating to a total revenue growth of R9.4 million over the MTREF when compared to the 2014/15 financial year.

Total operating expenditure for the 2015/16 financial year has been appropriated at R202.7 million and translates into a budgeted net surplus of R69.0 thousand. When compared to the 2014/15 Adjustments Budget, operational expenditure has grown by 16.3 per cent in the 2015/16 budget and by 1.53 and 6.45 per cent for each of the respective outer years of the MTREF. There has been an operating surplus in the outer years of R7.4 million and R2.5 million. The municipality will need to reprioritize the expenditure to be able to fund capital expenditure and to further ensure cash backing of reserves and funds.

The capital budget of R82.9 million for 2015/16 is 6.50 per cent more when compared to the 2014/15 Adjustment Budget. The capital programme decreases to R79.4 million in the 2016/17 financial year and then drops in 2017/18 to R70.5 million. A substantial portion of the capital budget will be funded from government grants. The balance will be funded from internally generated funds.

3.2 PROPOSED TERIFF INCREASES

The municipality received a number of objections resulting from the new valuation roll implementation in 2012. In consideration of the real problem the tariff for 2015/16 is proposed to be increased. The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2015/16 financial year based on a new valuation roll implementation from 1 July 2012 is contained below. As a result there will be a 6 percent increase in the rates tariff for 2015/16.

Table 2 Comparison of proposed rates to be levied for the 2015/16 financial year

Property Category Use	Current Tariff 2014/15	Proposed Tariff 2015/16
Residential	0.0105	0.0111
Commercial	0.0167	0.0111
Indusrtial	0.0178	0.0189
Industrial Estate Special	0.0155	0.0164
Farms Other than:	0.0199	0.0211
Farms Agricultural Purposes	0.0026	0.0028
Municipal Property	0.000	0.000
Farms Commercial Purpose	0.0178	0.0167
Public Services Infrastructure	0.0026	0.0028
Vacant land	0.0167	0.0178
State Owned land	0.0157	0.0167

3.3 OPERATING BUDGET

The following table is a summary of the 2015/16 MTREF (classified by main revenue source):

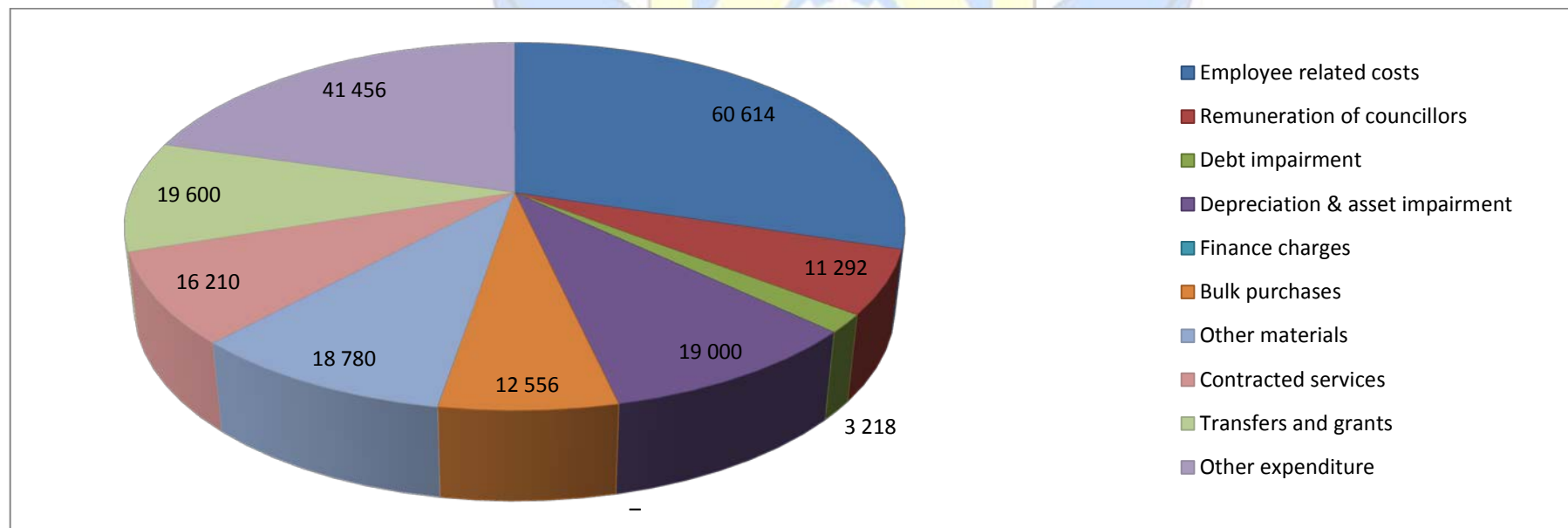
Table 3 Summary of revenue classified by main revenue source

KZN291 Mandeni - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue By Source											
Property rates	2	20 866	33 472	27 411	27 685	27 685	27 685	27 685	26 770	28 215	29 739
Property rates - penalties & collection charges		353	5 135	5 477	4 000	8 000	8 000	8 000	—	—	—
Service charges - electricity revenue	2	10 720	11 213	11 715	13 056	13 056	13 056	13 056	14 713	15 507	16 344
Service charges - w ater revenue	2	—	—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue	2	—	—	—	—	—	—	—	—	—	—
Service charges - refuse revenue	2	5 264	5 588	5 948	6 550	6 550	6 550	6 550	6 943	7 318	7 713
Service charges - other		—	—	—	—	—	—	—	—	—	—
Rental of facilities and equipment		204	270	267	190	190	190	190	190	200	211
Interest earned - external investments		2 283	2 809	3 564	2 500	3 000	3 000	3 000	3 000	3 162	3 333
Interest earned - outstanding debtors		—	—	—	—	—	—	—	6 000	7 854	9 331
Dividends received		—	—	—	—	—	—	—	—	—	—
Fines		91	93	45	505	505	505	505	505	532	561
Licences and permits		3	—	779	300	300	300	300	300	316	333
Agency services		—	—	—	—	—	—	—	—	—	—
Transfers recognised - operational		97 874	93 022	114 788	97 242	97 842	97 842	97 842	143 970	149 678	153 553
Other revenue	2	19 040	3 889	4 765	370	14 743	14 743	14 743	405	466	491
Gains on disposal of PPE		—	—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		156 697	155 491	174 758	152 398	171 871	171 871	171 871	202 796	213 249	221 610

Operating grants and transfers totals R144.0 million in the 2015/16 financial year and steadily increases to R149.7 million by 2016/17. Note that the year-on-year growth for the 2015/16 financial year is 47.1 per cent and then increase to 3.96 and 1.13 per cent in the two outer years. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 4 Summary of operating expenditure by standard classification item

KZN291 Mandeni - Table A4 Budgeted Financial Performance (revenue and expenditure)										
Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Expenditure By Type										
Employee related costs	2	33 145	31 790	44 170	55 829	55 829	55 829	60 614	63 887	67 592
Remuneration of councillors		7 523	8 029	9 159	9 718	9 718	9 718	11 292	11 902	12 592
Debt impairment	3	3 081	7 104	17 857	3 218	3 218	3 218	3 218	3 392	3 575
Depreciation & asset impairment	2	15 360	18 773	18 632	5 973	18 973	18 973	19 000	20 603	21 710
Finance charges		14	—	—	—	—	—	—	—	—
Bulk purchases	2	7 269	7 437	8 128	10 991	10 991	10 991	12 556	13 234	13 949
Other materials	8	10 181	8 708	10 451	15 446	15 946	15 946	18 780	19 794	20 863
Contracted services		9 432	10 039	10 971	13 900	17 900	17 900	16 210	15 869	16 532
Transfers and grants		—	383	—	1 550	1 550	1 550	19 600	16 686	19 777
Other expenditure	4, 5	24 285	29 762	42 824	35 772	40 182	40 182	41 456	40 458	42 509
Total Expenditure		110 350	122 025	162 193	152 398	174 308	174 308	202 727	205 826	219 100



3.4 CAPITAL EXPENDITURE

Table 3.4.1 2015/16 Medium-term capital budget per vote

KZN291 Mandeni - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding											
Vote Description R thousand	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Single-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		—	28	21	253	253	253	253	83	—	—
Vote 2 - Budget and Terasury		714	—	1 405	90	90	90	90	137	—	—
Vote 3 - Corporate Services		—	—	—	150	1 150	1 150	1 150	1 080	—	—
Vote 4 - Community and Social Services		—	—	—	2 083	1 783	1 783	1 783	4 929	2 706	2 112
Vote 5 - Sport and Recreation		—	—	—	750	500	500	500	1 544	3 200	5 000
Vote 6 - Public Safety		—	—	—	898	948	948	948	529	—	10 000
Vote 7 - Housing		—	—	—	—	—	—	—	—	—	—
Vote 8 - Health		—	—	—	—	—	—	—	—	—	—
Vote 9 - Planning and Development		16 080	(689)	(1 066)	35 967	21 458	21 458	21 458	26 423	26 972	5 370
Vote 10 - Environmental Protection		—	—	—	410	200	200	200	—	—	—
Vote 11 - Road transport		29 224	—	—	38 347	38 457	38 457	38 457	45 263	46 489	47 993
Vote 12 - Waste Management		—	—	—	1 300	1 200	1 200	1 200	1 500	—	—
Vote 13 - Electricity		—	—	—	10 250	11 880	11 880	11 880	1 500	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—	—
Capital single-year expenditure sub-total		46 018	(661)	360	90 497	77 918	77 918	77 918	82 988	79 367	70 475
Total Capital Expenditure - Vote		46 018	(661)	360	90 497	77 918	77 918	77 918	82 988	79 367	70 475

In the 2015/16 Financial year an amount of R26.4 Million has been appropriated for the development of infrastructure which represents 31.8 per cent of the total capital budget. In the outer years this amount totals R27 million and decreases to R5.4 million respectively for each of the financial years. Transport and roads receives the highest allocation of R45.2 million in 2015/16 which equates to 54.4 per cent followed by planning and development at 31.8 per cent, R26.4 million.

Total new assets represent 75 per cent or R69.6 million of the total capital budget while asset renewal equates to 25 per cent or R23.4 million. Some of the salient projects to be undertaken over the medium-term includes, amongst others:

BASIC SERVICE DELIVERY MEASUREMENTS

KZN291 Mandeni - Table A10 Basic service delivery measurement										
Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Household service targets	1									
Total number of households	5	—	—	—	—	—	—	—	—	—
Energy:										
Electricity (at least min.service level)		1 009	1 009		1 009		1 009	1 009		
Electricity - prepaid (min.service level)										
Minimum Service Level and Above sub-total		1 009	1 009	—	1 009	—	1 009	1 009	—	—
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)		2 560	2 560		2 560		2 560	2 560		
Other energy sources		12 500	12 500		12 500		12 500	12 500		
Below Minimum Service Level sub-total		15 060	15 060	—	15 060	—	15 060	15 060	—	—
Total number of households	5	16 069	16 069	—	16 069	—	16 069	16 069	—	—
Refuse:										
Removed at least once a week		7 207	7 207		7 207		7 207	7 207		
Minimum Service Level and Above sub-total		7 207	7 207	—	7 207	—	7 207	7 207	—	—
Removed less frequently than once a week										
Using communal refuse dump		2 900	2 900		2 900		2 900	2 900		
Using own refuse dump										
Other rubbish disposal										
No rubbish disposal		5 962	5 962		5 962		5 962	5 962		
Below Minimum Service Level sub-total		8 862	8 862	—	8 862	—	8 862	8 862	—	—
Total number of households	5	16 069	16 069	—	16 069	—	16 069	16 069	—	—
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)										
Sanitation (free minimum level service)										
Electricity/other energy (50kw h per household per month)		1 265	1 265		1 265		1 265	1 265		
Refuse (removed at least once a week)		2 560	2 560		2 560		2 560	2 560		
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)										
Sanitation (free sanitation service)										
Electricity/other energy (50kw h per household per month)		520	520		520		520	520		
Refuse (removed once a week)		210	210		210		210	210		
Total cost of FBS provided (minimum social package)		730	730	—	730	—	730	730	—	—
Highest level of free service provided										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kw h per household per month)										
Refuse (average litres per week)										
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)		3 000	3 000		3 000		3 000	3 000		
Property rates (other exemptions, reductions and rebates)										
Water										
Sanitation										
Electricity/other energy		520	520		520		520	520		
Refuse		210	210		210		210	210		
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)	6	3 730	3 730	—	3 730	—	3 730	3 730	—	—

Table Showing NKPA/OOUTCOMES 9/STATEGIES ALINGMENT

NATIONAL KPA's	OUTCOMES 9	BACK TO BASIC	STRATEGIC ISSUES
Basic Infrastructure and Service Delivery	Improved Access to Basic Services	•	<ul style="list-style-type: none"> • Electricity • Access to roads and storm water • Telecommunications • Community and public facilities • Solid waste disposal • Housing • Land use management systems
Local Economic Development	Community Work Programme Implemented and Cooperatives Supported	•	<ul style="list-style-type: none"> • Local Economic Development • Tourism Planning • Agricultural Development • Cooperatives and SMME's • Public Private Partnerships • Business Support and Development
Community Services and Social Development	Community Work Programme Implemented and Cooperatives Supported	•	<ul style="list-style-type: none"> • Education • Health • Social Security • Community Safety • Disaster Management • Gender, youth and people with disabilities • Sports and Recreation • HIV and Aids • Community and Public Facilities • Land Reform • Environmental Sustainability • Arts and Culture • Cemeteries and Crematoria
Municipal Financial Viability and Management	Improved Municipal Financial and Administrative Capability	•	<ul style="list-style-type: none"> • Budgeting and Reporting • Revenue Enhancement • Expenditure Control • Financial Management
Municipal Institutional Development and Transformation	Differentiated Approach to Municipal Financing, Planning and Support	•	<ul style="list-style-type: none"> • Batho Pele • Performance Management • Human Resources • Information Technology

			<ul style="list-style-type: none"> Administration
Good Governance and Public Participation	Deepening Democracy Through Refined Ward Committee System	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> Integrated Development Planning Policy Development Public Participation Internal Audit Anti-Corruption Strategy



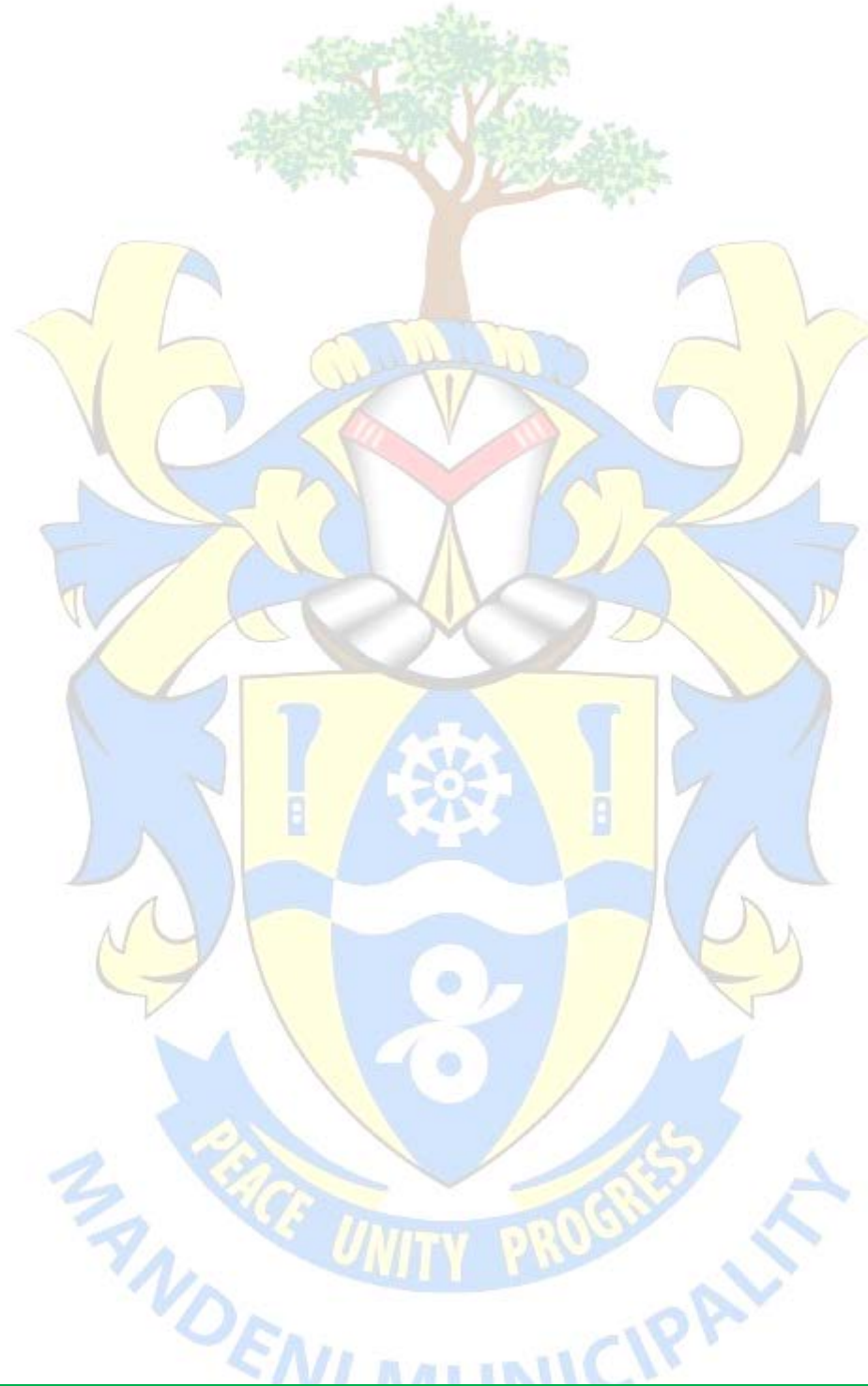
IDP ALIGNMENT

IDP/POE REF	KEY PERFORMANCE AREA	GOAL	MLM STRATEGIC OBJECTIVE	STRATEGIES	RESPONSIBLE DEPARTMENT
GOOD GOVERNANCE AND PUBLIC PARTICIPATION					
GGPP 01	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	TO FOSTER A CULTURE OF COMMUNITY INVOLVEMENT AND GOOD GOVERNANCE IN THE AFFAIRS OF THE MUNICIPALITY	2.3 Ensure a participative, transparent and accountable governance	2.3.1 Improve the public participation processes	Community services
GGPP 02					OMM
GGPP 03				2.3.2 Ensure the existence and functionality of the public participation structures	OMM
GGPP 04				2.3.3 Ensure functional municipal structures	Corporate services
GGPP 05					Office of the MM
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT					
BSD 01	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	Providing equal access to high quality sustainable basic infrastructure and services	1.1. To improve access to basic services	1.1.1. Facilitate the reduction of water and sanitation infrastructure and service backlogs.	TSD
BSD 03				1.1.2 Facilitate access to electricity for all targeted households	TSD
BSD 04				1.1.3 Reduce the road and storm-water infrastructure backlog and	TSD
BSD 05				1.1.4 Facilitate the reduction of the housing backlog	TSD
BSD 18				1.1.5 Provide efficient waste collection and management service to all	TSD
BSD 19				1.1.6 Maintain a functional Infrastructure Development	TSD
BSD 22				1.1.7 To prepare a 3 year capital infrastructure funding plan	TSD

IDP/POE REF	KEY PERFORMANCE AREA	GOAL	MLM STRATEGIC OBJECTIVE	STRATEGIES	RESPONSIBLE DEPARTMENT
FINANCIAL VIABILITY AND MANAGEMENT					
FVM 01	FINANCIAL VIABILITY AND MANAGEMENT	TO DEVELOP A SUSTAINABLE AND EFFICIENT MUNICIPALITY BASED ON SOUND FINANCIAL MANAGEMENT	2.2 Ensure a financially viable municipality.	2.2.1 Improve the audit opinion	OMM
FVM 03				2.2.2 Ensure the IDP aligned financial planning	BTO
FVM 04				2.2.3 Effectively and efficiently manage the expenditure of the municipality	BTO
FVM 09				2.2.4 Manage and increase the municipal revenue base	BTO
FVM 13				2.2.5 Ensure that the municipality acquires goods and services in terms	BTO
FVM 14				2.2.6 Ensure a constant and accurate financial reporting.	BTO
FVM 16					BTO
COMMUNITY AND SOCIAL SERVICES DEVELOPMENT					
CSD 01	COMMUNITY AND SOCIAL SERVICES DEVELOPMENT	Providing and facilitating access to social services and facilities.	5.1 Ensure that our people have access to community facilities and services	5.1.1 Provide the library services 5.1.2 Facilitate the provision of new community facilities	CSPS
CSD 02			5.2 Aspire to a healthy, safe and crime free area	5.2.1 Facilitate the provision of the community health facilities	CSPS
CSD 03				5.2.2 Ensure the municipal contribution to HIV/AIDS	CSPS
CSD 04				5.2.3 Improve on road safety	CSPS
CSD 05				5.2.4 Ensure the municipal contribution to community safety	CSPS
CSD 06				5.3.2 Design and implement sports, arts and heritage celebration programs	CSPS



LOCAL ECONOMIC DEVELOPMENT						
LED 01	LOCAL DEVELOPMENT	ECONOMIC	3. Promoting and facilitating human development	3.1 Achieve a holistic human development and capacitation for the realisation of skilled and employable workforce	3.1.1 Improve the community skills base	EDPH
LED 03			4. Facilitate the creation of job opportunities		3.1.2 Ensure the empowerment of youth, women and people living with disabilities	EDPH
LED 04				4.1 Facilitating the creation of employment opportunities for skilled and employable people	4.1.1 Implement the EPWP programme	EDPH
LED 06					4.1.2 Strategically plan for the local economic development	EDPH
					4.1.3 facilitate the implementation of the CWP	
LED 07					4.1.4 Coordinate the fight against poverty	EDPH
					4.1.5 Unlock the agricultural potential	
					4.1.6 Promote the manufacturing sector activities	
					4.1.7 Facilitate SMME development	
					4.1.8 Promote Mandeni to be a tourist destination	



IDP/POE REF	KEY PERFORMANCE AREA	GOAL	MLM STRATEGIC OBJECTIVE	STRATEGIES	RESPONSIBLE DEPARTMENT
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION					
IDT 01	MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	2. Provision of effective, efficient , transparent and accountable leadership	2.1 Creating a conducive working environment	2.1.1 Maintain and improve the municipal policies	CSD
IDT 02				2.1.2 Ensure effective and efficient human resource management	CSD
IDT 03				2.1.3 Ensure effective and efficient human resource development	CSD
IDT 04				2.1.4 Improve performance	CSD
IDT 05				2.1.5 Improve information technology and document management systems	CSD
IDT 06				2.1.6 Improve on customer care	CSD
IDT 07				2.1.7 Maintain and improve municipal buildings and assets	CSD
IDT 08					
BACK TO BASICS –Cross cutting measures					
SDF 01	SPATIAL RATIONAL AND ENVIRONMENTAL MANAGEMENT	Promoting and facilitating environmental protection and sustainable spatial planning.	6.1 Realise a completely protected environment 6.2 Facilitate a creation of a disaster	6.1.1 Improve community awareness on environmental protection 6.1.2 Implement the coastal management plan	EDPH



			ready community	6.2.1 Develop and adopt the disaster management plan 6.2.2 Create a community disaster awareness	
SDF 02			6.3 Ensure an integrated and aligned development planning	6.3.1 Implement the SDF	EDPH
				6.3.2 Implement the Dokodweni Local Area Development Plan	
SDF 03				6.3.3 Implement the Tugela Mouth Local Area Development Plan	EDPH
				6.3.4 Ensure the existence of the municipal land use guideline	
				6.3.5 Promote the municipal integrated planning	



COMPONENTS OF MANDENI SDBIP

The scorecard provides the quarterly corporate targets against which the MLM will be held accountable. Service delivery targets and performance indicators will be cascaded into the Directorate, Departmental SDBIP (PDP-Section 56/57 employees), which will be used for internal monitoring of the organisation.

The layout of the annual scorecard is as follows:

- A. IDP/ POE Reference
- B. National Key Performance Areas
- C. IDP Objectives
- D. Key Priority Areas
- E. Activity/Projects/Programme
- F. Key Performance Indicators
- G. Types of Indicators
- H. Demand
- I. Baseline
- J. Backlog
- K. Ward
- L. Source of Funding
- M. Annual Target
- N. Quarterly Targets
- O. Reasons for Variance
- P. Corrective Measures
- Q. Evidence to be Produced (POE)
- R. Responsible Department

